

280 - AIRPORT - OPERATING

Operational Summary

Mission:

To plan, organize, and direct the provision of high-quality regional aviation services for Orange County in a safe and efficient manner.

Strategic Goals:

- Maintain a safe operating environment for aviation and traveling public.
- Provide superior customer service.
- Provide superior aviation facilities.
- Comply with all provisions embodied in the Phase 2 Commercial Airline Access Plan and regulations governing John Wayne Airport.
- Operate JWA as a financially efficient and effective, self-supporting aviation facility.
- Continue to successfully manage John Wayne Airport and utilize PIP and MPP to further the Airport's and County's goals of becoming even more Results Oriented.
- Transition existing El Toro Base management operations from CEO to John Wayne Airport and assume responsibilities for MCAS El Toro Master Lease implementation.

Key Outcome Measures:

Performance Measure	FY 99-00 Results	FY 00-01 Target	How are we doing?
SUCCESSFULLY PASS THE ANNUAL PART 139 AIRPORT CERTIFICATION INSPECTION. What: Annual inspection conducted by FAA to ensure JWA is being operated in a safe and efficient manner. Why: To maintain a safe operating environment for aviation and the traveling public.	The Annual Part 139 Inspection is conducted by the FAA during which time all elements specified in Federal Aviation Regulation (FAR) Part 139 are examined. JWA successfully passed the Annual Part 139 Inspection.	Successfully pass the Annual Part 139 Inspection by continuing to perform twice daily airfield inspections and identify, report and correct any items that deviate from FAA specifications.	We have always successfully passed the Annual Part 139 Inspection.
ESTABLISH BENCHMARK SCORE OF 85% OR HIGHER RATING OF SERVICES TO PATRONS AS GOOD OR EXCELLENT. What: Biennial survey conducted to measure passenger satisfaction with Airport's service and performance. Why: To ensure that in the performance of our service to customers, we meet or exceed their expectations.	Results of 1998 survey indicated that 96 percent of JWA users rated services as good or excellent.	Utilize survey with more specificity with respect to customer service and meet or exceed benchmark score of 85% or higher rating of services as good or excellent.	Overall results of 1998 survey indicated that 96% of JWA users rated JWA's services as good or excellent. During 1999 a marketing campaign was developed that was rooted in the findings of the 1998 Air Transportation User Survey.

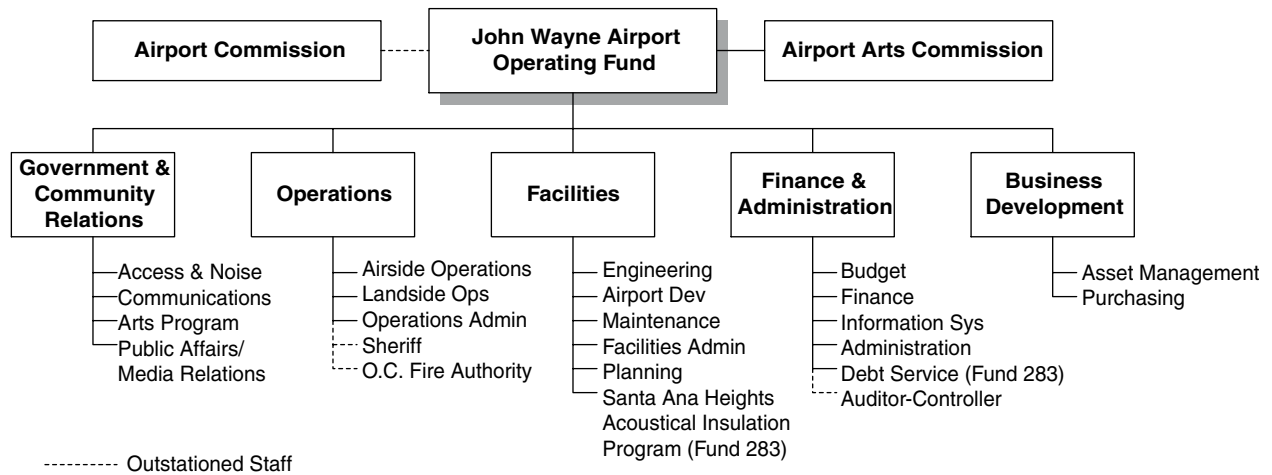
Key Outcome Measures: (Continued)

Performance Measure	FY 99-00 Results	FY 00-01 Target	How are we doing?
MAINTAIN 100% ENFORCEMENT OF PHASE 2 COMMERCIAL AIRLINE ACCESS PLAN AND REGULATION PROVISIONS. What: Balances need for airport with desire of community for environmentally responsible operation at JWA. Why: Compliance conveys message that County will completely fulfill its commitment to its residents.	100 percent compliance with Plan allocation provisions.	Continue to maintain 100 percent compliance.	The provisions of the Phase 2 Commercial Airline Access Plan, other than the allocation provisions that have been amended, became effective on October 1, 1990. Since the Plan's implementation, the County has been in 100 percent compliance of its duties and responsibilities.
MANAGE AIRPORT'S FINANCIAL POSITION AND MAINTAIN A DEBT SERVICE COVENANT, WHICH EXCEEDS 125 PERCENT. What: Requires Airport net revenues each year of at least 125% of debt service requirement for FY. Why: Provides JWA with opportunity to demonstrate to financial community its ability to repay debt.	Successful management of the Airport's rates and charges structure is critical to generate revenue required to fulfill JWA's obligations under the Indenture. The debt coverage ratio for FY 98-99 was 203 percent.	Continue to maintain debt service covenant in excess of 125 percent.	Since issuance of the 1987 Airport Revenue Bonds, JWA has consistently exceeded the rate covenant imposed by indenture. The Moody's Investors Service opinion of 11/98 upgraded the underlying rating on the Bonds from A to A1.

Fiscal Year 1999-00 Key Project Accomplishments:

- Met or exceeded the FAA certification requirements and maintained safe, secure, and timely airfield and terminal openings for each day of the year.
- Enhanced customer service with the opening of 2,000 new parking spaces and the Ground Transportation Center directly across from the terminal. This \$28.2 million project was paid for with existing reserves. Our fiscally responsible and effective management allowed us to operate with revenues generated at the Airport and to provide significant funding to airport system planning.
- Proved we are good neighbors by closely monitoring and strictly enforcing the Access Plan and General Aviation Noise Ordinance.
- Helped protect the environment by completing two capital projects which reduced air polluting emissions caused by the burning of fossil fuels.
- Verified that all essential computer-operated systems were tested, certified, and made ready for year 2000 (Y2K).
- Provided significant staff support toward planning for an airport system and, at the direction of the Board of Supervisors, planned, coordinated, paid for, and carried out a safe and successful two-day commercial aircraft flight demonstration at MCAS El Toro.

Organizational Summary



GOVERNMENT/COMMUNITY RELATIONS - Responsible for public information and media relations. Provides implementation and enforcement of Phase 2 Access Plan and Settlement Agreement. Responsible for the interaction with federal, state and local agencies regarding legislation. Coordinates and monitors environmental activities. Oversees the Airport Communications Operator function. Administers the Airport Arts Program.

OPERATIONS - Coordinates and administers the general functional activities related to John Wayne Airport including airport security, parking, ground transportation, liaison with commercial airline tenants, fixed-base operations, and aircraft tiedown facilities. Monitors airfield operations including enforcement of Airport rules and regulations. Administers outstationed departments such as the Sheriff-Coroner and Fire Authority for provision of law enforcement, aircraft rescue and fire fighting.

FACILITIES - Provides engineering studies and analysis of facility requirements for the Airport. Responsible for all aspects of Airport facilities maintenance. Provides planning and project management of the capital development program, including the design and construction of Airport facilities. Ensures compliance of Airport facilities with environmental regulations. Prepares grant applications for federal financial assistance under the FAA Airport Improvement Program. Provides staff support to the Airport Land Use Commission.

FINANCE & ADMINISTRATION - Includes the divisions responsible for Airport finance, budget, debt management, staff services, administrative support, human resources and information systems. Provides staff support to the Airport Commission.

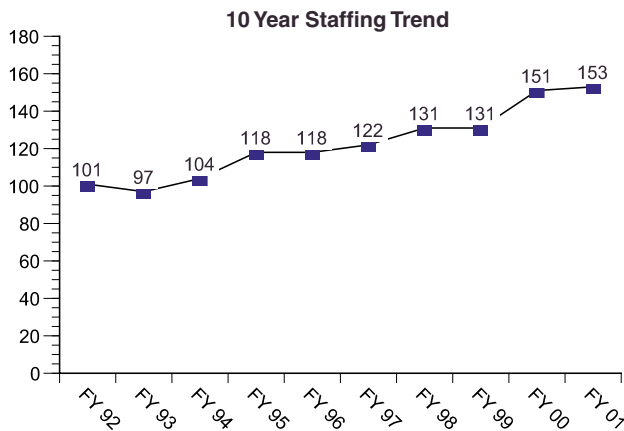
Includes outstationed Auditor-Controller staff who provide accounting and financial services, and monitor Airport revenue and expenditures.

BUSINESS DEVELOPMENT - Coordinates and is responsible for concession planning and revenue development activities and the negotiation and administration of leases, licenses, concession agreements and easements. Responsible for the acquisition and sale of real property and related property appraisal and condemnation issues. Coordinates with the Finance and Administration division on the annual audit and record survey of Airport tenants. Responsible for all aspects of Airport procurement including preparing bid/proposal solicitations, issuing agency contracts, interfacing with vendors, maintaining a record of department purchases and conducting internal procurement value analysis. Administers the Disadvantaged Business Enterprise (DBE) Program.

MASTER LEASE - Budget appropriations for the Master Lease program.

JOHN WAYNE AIRPORT - OPERATING - Includes the office of the Airport Director and outstationed County Counsel who provides legal counsel on County and Airport matters.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Two positions were transferred mid-year FY 99-00, one from the CEO and one from PDS; these are reflected in FY 00-01 position total.
- In FY 99-00 one position was transferred from the Auditor-Controller to John Wayne Airport to more appropriately reflect finance-related activities per-

formed; one position was added to help manage the increased requirements in the Information Systems section; 18 positions were added for Interim Use pending further Board direction.

- In FY 97-98 four positions were deleted and 13 positions were added to reflect the impact of the County's decentralization of Real Property, Human Resources, Facilities, County Counsel and Purchasing activities.

Budget Summary

Plan for Support of the County's Strategic Priorities:

As an enterprise fund, John Wayne Airport is self-supporting through revenues it generates and receives no monies from the County General Fund. Revenues are utilized to operate the Airport, provide for repayment of revenue bonds, fund facility capital improvement or maintenance projects, and support aviation planning.

Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
John Wayne Airport/EI Toro Amount: \$ 2,000,000	Required for operating transfer out of funds to 14M for study of aviation-related planning option.	N/A. Board introduced at June 6 budget hearing.	280-001
John Wayne Airport/EI Toro Amount: \$ 0	Reduce NCC by moving appropriations to 280 from 283 for Op Trans to 14M for aviation planning option	N/A. Board introduced at June 6 budget hearing.	280-002

Final Budget and History:

Sources and Uses	FY 1998-99 Actual Exp/Rev ⁽¹⁾	FY 1999-00 Final Budget	FY 1999-00 Actual Exp/Rev ⁽¹⁾	FY 2000-01 Final Budget	Change from FY 99-00 Actual	
					Amount	Percent
Total Positions	N/A	151	N/A	153	153	N/A
Total Revenues	76,347,509	78,813,688	72,059,792	89,319,430	17,259,638	23.95
Total Requirements	90,452,255	134,786,292	66,627,983	130,664,473	64,036,490	96.11
FBA	11,258,251	55,972,604	57,151,805	41,345,043	(15,806,762)	-27.66

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 1999-00 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: AIRPORT - OPERATING in the Appendix on page 470.

Highlights of Key Trends:

- John Wayne Airport continues to generate adequate rev-

enue to support its strategic goals.

Budget Units Under Agency Control

No.	Agency Name	Government/ community Relations	Operations	Facilities	Finance & Administration	Business Development	Master Lease	John Wayne Airport - Operating	Total
280	Airport - Operating	2,438,555	13,917,812	65,882,849	44,832,908	718,751	0	2,873,598	130,664,473
283	John Wayne Airport Debt Service	0	0	4,100,000	45,312,336	0	5,592,386	0	55,004,722
Total		2,438,555	13,917,812	69,982,849	90,145,244	718,751	5,592,386	2,873,598	185,669,195